

STATE OF VERMONT  
GREEN MOUNTAIN CARE BOARD

In re: Blue Cross and Blue Shield of Vermont	)	
3Q 2019 Large Group Rating Program Filing	)	GMCB-002-19rr
	)	
<i>and</i>	)	
	)	
In re: The Vermont Health Plan	)	GMCB-003-19rr
3Q 2019 Large Group Rating Program Filing	)	

**BLUE CROSS AND BLUE SHIELD OF VERMONT’S REPLY MEMORANDUM**


Blue Cross and Blue Shield of Vermont (BCBSVT) files this Reply Memorandum to make two brief points in response to the Health Care Advocate’s May 8, 2019 Memorandum.

First, the Health Care Advocate (HCA) asserts that BCBSVT’s “Filings fail to offer any evidence that the proposed rate is affordable to Vermonters and there is substantial, reliable, uncontested, Vermont-specific, statistical data that indicate the proposed rate increase is not affordable.” HCA Memo, p. 5. This argument overlooks the reality that the Large Group market in Vermont is a competitive marketplace where employers have many options for their health care coverage. Employers purchasing a BCBSVT Large Group product are making a selection among many competing carriers and products (or even self-funding), and have made the informed decision that the BCBSVT product delivers their employees the most affordable access to high-quality care. In other words, BCBSVT’s ability over time to compete successfully in the Large Group market reflects the fact that many employers have decided that BCBSVT’s products offer affordable access to high-quality health care.

Second, while BCBSVT disagrees with the specific arguments put forth by the HCA in its Memorandum, we agree that a holistic approach is the only viable path towards reducing health care costs for all Vermonters. *See* HCA Memo p. 10. We too encourage the Board to explore regulatory action, including measures designed to establish and maintain sustainable provider rates, in order to alleviate the burden of increasing health care costs for all Vermonters. However, the outcome HCA advocates for with respect to this Filing would undermine this goal, because BCBSVT's ability to promote quality care, enhance access to high-quality care, and protect its members by maintaining adequate reserves depends upon charging premiums that are adequate to cover expected costs.

For the reasons stated above and in BCBSVT's initial Memorandum, BCBSVT respectfully requests that the Board approve the filing, after amending in accordance with the modification recommended by L&E.

Dated at Berlin, Vermont this 15<sup>th</sup> day of May, 2019.

  
\_\_\_\_\_  
Michael T. Durkin for  
Rebecca C. Heintz  
Blue Cross and Blue Shield of Vermont  
P.O. Box 186  
Montpelier, VT 05601  
Tel. (802) 371-3256  
[heintzr@bcbsvt.com](mailto:heintzr@bcbsvt.com)

## CERTIFICATION OF SERVICE

I hereby certify that I have served the above REPLY MEMORANDUM on Amerin Aborjaily, Green Mountain Care Board Staff Attorney; Thomas Crompton, Green Mountain Care Board Health Systems Finance Associate Director; Christina McLaughlin, Green Mountain Care Board Health Policy Analyst; Michael Barber, Green Mountain Care Board General Counsel; Kaili Kuiper and Eric Schultheis, Office of Health Care Advocate in the above-captioned matter, by electronic mail, return receipt requested, this 15<sup>th</sup> day of May, 2019.



---

Michael T. Durkin for  
Rebecca C. Heintz  
Blue Cross and Blue Shield of Vermont  
P.O. Box 186  
Montpelier, VT 05601  
Tel. (802) 371-3256  
[heintzr@bcbsvt.com](mailto:heintzr@bcbsvt.com)

